# UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

In re:

PROMESA Title III

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

No. 17 BK 3283-LTS

as representative of

(Jointly Administered)

THE COMMONWEALTH OF PUERTO RICO, et al.,

Debtors. 1

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

Plaintiff,

v.

Adv. Pro. No. 19-00393-LTS

HON. RICARDO ANTONIO ROSSELLÓ NEVARES and THE PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY,

Defendants.

## OPPOSED URGENT MOTION REGARDING ADJOURNMENT OF HEARING ON MOTION TO DISMISS

To the Honorable United States District Judge Laura Taylor Swain:

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<sup>&</sup>lt;sup>1</sup> The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

### **Jurisdiction and Venue**

- 1. The United States District Court for the District of Puerto Rico has subject matter jurisdiction over this matter pursuant to PROMESA § 306(a).
  - 2. Venue is proper pursuant to PROMESA § 307(a).

### **Relief Requested**

- 3. On July 3, 2019, the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board") initiated the captioned adversary proceeding by filing a complaint (the "Complaint") against then-Governor Ricardo Rosselló Nevares (in his official capacity) and the Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAF") (collectively, the "Defendants" and together with the Oversight Board the "Parties").
- 4. Under the Order dated July 7, 2019, oral arguments in connection with the *Defendants' Memorandum of Law in Support of Motion to Dismiss Plaintiff's Complaint Dated July 3, 2019 Under Fed. R. Civ. P. Rules 12(b)(1) and 12(b)(6)* [ECF No. 17] were scheduled to be heard August 2, 2019 in the New York courthouse (the "Hearing") [ECF No. 40].
- 5. By mutual agreement of the Parties, in light of then-Governor Rosselló's resignation, the Hearing was adjourned until tomorrow, Thursday, August 8, 2019, at 9:30 a.m. [See ECF No. 49 (Order Adjourning Hearing Scheduled for August 2, 2019, to August 8, 2019).]
- 6. At 1:00 p.m. AST today, August 7, 2019, the Puerto Rico Supreme Court issued an order holding that the Hon. Pedro Pierluisi, who took the oath of office as Governor of Puerto Rico after Governor Rosselló resigned on August 2, 2019, must step down as Governor by 5:00 p.m. AST today. [See Ex. 1 (Order), Ex. 2 (Patricia Mazzei and Frances Robles, Puerto Rico Supreme Court Rules New Governor Was Unlawfully Sworn In, N.Y. TIMES, Aug. 7, 2019).]

- 7. Defendant AAFAF files this emergency motion to respectfully request that the Hearing be adjourned approximately one week, to give AAFAF and its counsel (who will also serve as counsel to the next Governor) time to brief and consult with the incoming Governor. It is vital that the incoming Governor be permitted to provide his or her guidance on Act 29, the other aspects of the litigation regarding alleged patterns and practices of the office of the Governor of Puerto Rico, and the other critical issues implicated in this litigation before the Parties and the Court move forward with the Hearing.
- 8. AAFAF respectfully requests that the Court enter an order, substantially in the form attached as **Exhibit A**, to permit it to file a status report on Monday, August 12, 2019, and schedule oral argument on August 15 or 16, 2019, or another day convenient to the Court.

## <u>Certification in Compliance with the Tenth Amended Case Management Procedures and</u> Local Rule 9013-1

9. Pursuant to Paragraph I.H of the Tenth Amended Notice, Case Management and Administrative Procedures [Case No. 17 BK 3283-LTS, ECF No. 8027-1] (the "Case Management Procedures"), counsel for AAFAF hereby certifies that it has carefully examined the matter and concluded that there is a true need for an urgent motion; it has not created the urgency through any lack of due diligence; has made a bona fide effort to resolve the matter without a hearing; and has made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought to the Court. **The Oversight Board opposes the relief requested herein.** 

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Dated: August 7, 2019

San Juan, Puerto Rico

Respectfully submitted,

### /s/ Peter Friedman

John J. Rapisardi William J. Sushon (Admitted *Pro Hac Vice*)

## O'MELVENY & MYERS LLP

7 Times Square

New York, New York 10036

Tel: (212) 326-2000 Fax: (212) 326-2061

-and-

Peter Friedman (Admitted *Pro Hac Vice*) 1625 Eye Street, NW Washington, D.C. 20006 Tel: (202) 383-5300

Fax: (202) 383-5300

-and-

Elizabeth L. McKeen (Admitted *Pro Hac Vice*) 610 Newport Center Drive, 17th Floor Newport Beach, California 92660

Tel: (949) 823-6900 Fax: (949) 823-6994

Attorneys for Defendants

## /s/ Luis C. Marini-Biaggi

Luis C. Marini-Biaggi USDC No. 222301

Email: lmarini@mpmlawpr.com

Carolina Velaz-Rivero USDC No. 300913

E:mail: cvelaz@mpmlawpr.com

#### MARINI PIETRANTONI MUÑIZ LLC

250 Ponce de León Ave., Suite 900 San Juan, Puerto Rico 00918

Tel: (787) 705-2171 Fax: (787) 936-7494

Co-attorneys for Defendants